



PATENT APPLICATION
09/203,672 (Q48591)

10. The method of claim 9, wherein said extended code field is used in H.263 or MPEG-4 encoding standards.

11. The method of claim 10, wherein the COD field having a bit value of "11" indicates that neither the MV nor the DCT value are encoded, the COD field having a bit value of "00" indicates that both the MV and the DCT are encoded, and the COD field having a bit value of "01" indicates that only the MV is encoded.

12. The method of claim 11, wherein where an error exists in a channel, only the values of "00" and "11" are used in an error allowable mode.

13. The method of claim 12, wherein when packetized data is divided and transmitted in the error allowable mode, the number of "1" of the COD field in a packet is encoded using variable length coding (VLC) and transmitted before the COD field without transmitting the original COD and when the combined code has a bit value of "00", "0" is transmitted, and when the combined code has a bit value of "11", "1" is transmitted, and in the cases of other combinations, the original codes of VLC and COD are transmitted without change.

14. The method of claim 10, wherein information is encoded by using only MV, when motion of an image is constant.--

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REMARKS

General remarks:

Claims 1-7 are pending in the application. Claims 1-7 stand rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter. Claim 3 stands rejected under 35 U.S.C. § 112, second paragraph. Claims 1-7 are cancelled by this Amendment, and claims 8-14 are added. Claims 8-14 are believed to comply with the requirements of 35 U.S.C. § 101 and 35 U.S.C. § 112, second paragraph.

In rejecting the claims as being directed to non-statutory subject matter, the Examiner alleges that the specification does not disclose an apparatus or method of extending a code field,

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and therefore, he interprets claim 1 as defining data existing in a code bit field. The Examiner concludes that this "implies the code field being a non-function descriptive element. Since, the claim 1 limitation does not cause a machine to function properly, the claim 1 and depending claims 2-7 are considered non-statutory subject matter."

Applicants respectfully submit that there is no requirement that a limitation "cause a machine to function properly" in order to be statutory subject matter. For example, in a recent case, *AT & T Corp. v. Excel Communications, Inc.* (CAFC, April 14, 1999) 50 USPQ2d 1447, the court held that whether a process claim is directed to a mathematical algorithm that is not applied to or limited by physical elements has little, if any, bearing on determining whether the claim encompasses statutory subject matter. Thus, Applicants respectfully submit that it is improper to reject the claims as being directed to non-statutory subject matter simply because the claims do "not cause a machine to function properly."

Nevertheless, Applicants are canceling claims 1-7 and adding claims 8 -14. Applicants note that a claim similar to claim 8 was found by the court to be directed to statutory subject matter in *AT & T Corp. v. Excel*.

With respect to the rejection of claim 3 under 35 U.S.C. § 112, second paragraph, the Examiner has made this rejection alleging that Applicants did not provide a copy of the particular version of the "MPEG standard" or sufficiently include the specifics of the MPEG standard in the specification. Applicant submits that the present invention is adapted for use with H.263 technologies and any existing MPEG-4 standard, such as MPEG-4 version 1 approved October, 1998, and is contemplated for use with MPEG-4 standards which might be promulgated in the future, such as MPEG-4 version 2 to be approved in December, 1999. Applicants are providing a copy of an overview of an MPEG-4 standard with which the invention is contemplated to work. Applicants note that the invention is not intended to be limited to the specific MPEG-4 standard provided.

Conclusion and request for telephone interview:

Applicant respectfully requests the Examiner to withdraw all objections and rejections, and to find the application now to be in condition for allowance with claims 1-7. If the Examiner

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feels that the disposition of the application could be expedited by speaking with Applicant's representative, the Examiner is respectfully invited to **call the undersigned attorney** at the number shown below.

Applicant hereby petitions for any extension of time which may be required to maintain the pendency of this case, and any required fee, except for the Issue Fee, is to be charged to Deposit Account No. 19-4880.



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Date: November 22, 1999

Respectfully submitted,

A handwritten signature in cursive script, reading "Peter A. McKenna".

Peter A. McKenna
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